

UNITED STATES DISTRICT COURT

for the

Central District of California

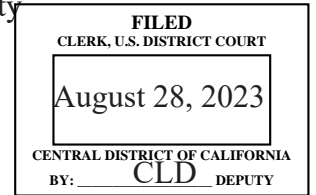
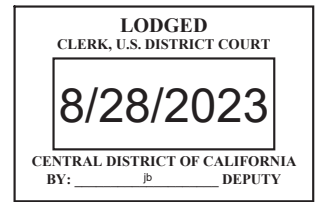
United States of America

v.

SEDRICK BAGBY,
Register Number: 62605-112,

Defendant

Case No.2:23-mj-04397 -duty

**CRIMINAL COMPLAINT BY TELEPHONE
OR OTHER RELIABLE ELECTRONIC MEANS**

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

As described in the accompanying attachment, defendant violated the following statutes:

Code Section

18 U.S.C. §§ 1343, 1344, 1349, 1028A

This criminal complaint is based on these facts:

Please see attached affidavit.☒ Continued on the attached sheet.*Offense Description*Conspiracy to Commit Wire and Bank
Fraud, and Aggravated Identity Theft*/s/ Scott Robbins**Complainant's signature*

Scott Robbins, Postal Inspector

Printed name and title

Attested to by the applicant in accordance with the requirements of Fed. R. Crim. P. 4.1 by telephone.

Date: August 28, 2023City and state: Los Angeles, California
Judge's signature

Hon. Alka Sagar, U.S. Magistrate Judge

Printed name and title

Complaint Attachment

Count One, 18 U.S.C. § 1349

Beginning not later than 2019, and continuing through at least March 31, 2022, in Los Angeles County, within the Central District of California, and elsewhere, defendant SEDRICK BAGBY and others conspired to commit wire and bank fraud, in violation of Title 18, United States Code, Sections 1343 and 1344. The object of the conspiracy was carried out, and to be carried out, in substance, as follows: Defendant BAGBY and his co-conspirators would steal the personal identifying information of victims, and use that and other false information to apply for credit and government benefits, including apartment and vehicle leases, and COVID-relief funds. As a result of this conspiracy, defendant BAGBY and his co-conspirators defrauded federally-insured financial institutions including Bank of America, Navy Federal Credit Union, and Cross River Bank. Throughout this conspiracy defendant BAGBY also communicated with his co-conspirators and victims by wires in interstate commerce.

Count Two, 18 U.S.C. § 1028A

Beginning not later than 2019, and continuing through at least March 31, 2022, in Los Angeles County, within the Central District of California, and elsewhere, defendant SEDRICK BAGBY knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person during and in relation to a felony violation of Title 18, United States Code, Section 1349, Conspiracy to Commit Wire and Bank Fraud, as charged in Count One, knowing that the means of identification belonged to another actual person.

AFFIDAVIT

I, SCOTT ROBBINS, being duly sworn, declare and state as follows:

I. TRAINING AND EXPERIENCE

1. I am a United States Postal Inspector with the United States Postal Inspection Service ("USPIS"), Los Angeles Division. I have been employed by the USPIS since April 2005. I completed a 12-week basic training academy in Potomac, Maryland, which included training in mail theft, mail fraud, and financial crime investigations, among others. I am currently a Team Leader (supervisor) of the Long Beach Mail Theft and Violent Crimes Team, where in addition to supervisory duties, I investigate violations of postal law, including identity theft, bank fraud, mail fraud, credit card fraud, and related financial crimes. I also investigate robberies, shootings, burglaries, firearms, and other related violent crimes perpetrated against United States Postal Service (USPS) employees.

2. I am familiar with the facts and circumstances described herein. This affidavit is based upon my personal involvement in this investigation, my training and experience, and information obtained from various law enforcement personnel and witnesses, including information that has been reported to me either directly or indirectly. This affidavit does not purport to set forth my complete knowledge or understanding of the facts related to this investigation. Unless specifically indicated otherwise, all conversations and statements described in this affidavit are related in substance and part only. All figures, times, and calculations set forth herein are approximate.

II. PURPOSE OF AFFIDAVIT

3. This affidavit is made in support of a criminal complaint against SEDRICK BAGBY ("BAGBY") for violations of 18 U.S.C. §§ 1343, 1344, and 1349 (conspiracy to commit wire and bank fraud) and 1028A (aggravated identity theft) (collectively the "TARGET OFFENSES").

4. From in or around February 2022 to the present time, I investigated BAGBY for violations of his federal supervised release probation, which included bank and wire fraud, identity theft, and lying to his probation officer about his conduct and whereabouts. I also have been investigating BAGBY for his role in fraud schemes through the Small Business Administration ("SBA") and car purchases using false information to secure the loans.

5. On March 31, 2022, a federal search warrant was executed at the residence of BAGBY at 950 E. 3rd Street, apartment 2209, Los Angeles, California 90013 (the "BAGBY Residence") and of BAGBY'S 2018 Jaguar SUV (the "BAGBY Jaguar") he was known to drive.

6. During the search, numerous items linked to the TARGET OFFENSES were seized, including a fraudulent social security card in BAGBY'S name but not his true social security number, access device information contained in a notebook and on digital devices, several digital devices and approximately \$14,620 cash were also seized. Additional evidence was found on the review of the digital devices. These items included evidence of the TARGET OFFENSES, the SBA fraud and the possession of access devices. During the entry portion of the search warrant, while the agents were making the entry, BAGBY was

1 inside the apartment trying to destroy evidence. One item was a
2 social security card in his name and another social security number.
3 BAGBY was seen throwing this evidence over the second-floor balcony
4 to the ground outside where agents were able to recover this item.

5 7. I interviewed BAGBY who admitted to using an identity that
6 was not his own to rent the apartment where he was found living at
7 the time of the search warrant. BAGBY also admitted to his
8 participation in the TARGET OFFENSES.
9

10 8. BAGBY was later arrested on a different date for violating
11 the conditions of his supervised release based on some of the conduct
12 described in this affidavit, and he is currently serving the
13 revocation sentence imposed.
14

15 **III. STATEMENT OF PROBABLE CAUSE**

16 9. BAGBY is currently in federal custody after an arrest in
17 2022 for violating the conditions of his supervised release based, in
18 part, on the conduct described in this affidavit and he is currently
19 serving the revocation sentence imposed by United States District
20 Judge Dale Fischer ("Judge Fischer").

21 10. Prior to BAGBY being sentenced for violating the conditions
22 of his probation, BAGBY was on supervised release pursuant to a
23 sentence also handed down by Judge Fischer on or about September 24,
24 2012 (Criminal case number CR 11-1067DSF). BAGBY pled guilty to his
25 role in a bank fraud conspiracy with another co-defendant involving
26 synthetic identity fraud. The Judgement and Commitment order for
27 BAGBY states that he was sentenced to a term of 90 months in federal
28 prison followed by five years' supervised release, and ordered to pay
a restitution in the amount of \$288,466 to Chase Bank.

BAGBY OBTAINED CREDIT USING OTHER PERSONS' SSNs

11. In or about 2021, I received a referral from BAGBY's federal probation officer, Samantha Chase (USPO Chase). USPO Chase provided me with documents related to her investigation of BAGBY as well as documents submitted by BAGBY through the Court and Judge Fisher. From speaking with USPO Chase and from reviewing the government documents she provided, I learned the following:

a. She believed BAGBY has been conducting synthetic identity fraud, in part, by using the synthetic identities on car loan/lease applications.

b. She suspected BAGBY of making money he was not reporting and spending money above the amounts BAGBY was supposed to report to USPO, but was not reporting.

c. BAGBY's true social security number was one ending in 1825.

d. BAGBY was supposed to report any purchase over the amount of \$500 to USPO Chase.

e. BAGBY told the USPO his income was approximately \$2,400 per month for the time period of 2017 through the execution of the search warrant at the BAGBY Residence.

f. BAGBY claimed to be employed as personal trainer and paid by a business called "Instant Bae," owned by his (then) girlfriend Nijai Burch ("Burch").

g. USPO Chase also conveyed to me that she has had multiple conversations with BAGBY about him not having a legitimate paycheck for his work for Instant Bae. He later began providing USPO Chase with paychecks he purportedly received from Instant Bae.

1 h. BAGBY conveyed to the USPO he resided with Burch at
2 two addresses during the period of the suspected fraud conduct. The
3 addresses were 695 S. Santa Fe Avenue, Apartment 337, Los Angeles,
4 and 1200 S. Grand, apartment 268, Los Angeles¹. In fact, he was
5 living on 3rd Street, where we executed the search warrant.

6 12. USPO Chase also provided me with additional documents she
7 obtained from loan providers during her investigation, which included
8 loan/lease documents for two vehicle purchases. Based on my review of
9 these documents, I learned:

10 a. On or about November 4, 2017, a vehicle lease
11 application was submitted to Chrysler Capital Bank for a lease
12 purchase at a Chrysler dealership in San Fernando, California, within
13 the Central District of California. This credit application was
14 signed in the name of BAGBY, using a SSN ending in 6216 (not BAGBY'S
15 true social security number). BAGBY provided an email address of
16 SilkySed40@gmail.com. BAGBY provided his true birth date of April 24,
17 1976. A copy of a California Identification Card was included in the
18 lease documents. This identification card had a photograph of BAGBY
19 and ended in numbers 8435. On the credit application BAGBY listed
20 this identification number as his driver's license. I searched the
21 true California driver's license number ("CDL") for BAGBY and learned
22 it does have this same number, so the ID card must have been
23 counterfeit. BAGBY listed his monthly income of \$4,900 (more than
24 twice what he reported to Probation). BAGBY listed his employment as
25 a manager at a company called SD Holistic Health Cooperative.

26
27 ¹ As of the March 29, 2022, BAGBY had reported to USPO Chase
28 that he no longer lived with Burch, and that he lived with his cousin
and other friends but does not have a verified address. USPO Chase
informed BAGBY on March 23, 2022, that he needed to update her daily
with where he is sleeping each night.

1 b. On or about April 22, 2021, BAGBY filled out a credit
2 and purchase application for a vehicle for financing through
3 Santander Bank at a dealership located in Sherman Oaks, California.
4 BAGBY provided a different social security number ending in 7421
5 (also not his true social security number). BAGBY also provided a
6 copy of a counterfeit social security card bearing his name and the
7 7421 number as a part of the credit application. On this
8 application, BAGBY provided the same aforementioned California
9 identification card number ending in 8435 and also included a copy of
10 that Identification card bearing his photograph. BAGBY also provided
11 an address of BAGBY'S Residence. This address was not an address
12 reported to USPO. BAGBY provided a monthly income of \$9,500 (again,
13 far above what he reported to USPS Chase as him income.) I
14 subsequently learned from reviewing law enforcement databases that
15 this credit application was denied by Santander Bank because they
16 suspected it was not a valid social security number.

17 **SSA-OIG CONFIRMS THE SOCIAL SECURITY NUMBERS BAGBY USED SEEKING**
18 **CREDIT ARE INVALID**

19 13. On or about September 30, 2021, I contacted the Social
20 Security Administration Office of Inspector General (SSA-OIG) for
21 follow up on the two aforementioned social security numbers (ending
22 in 6216 and 7421) BAGBY used on the aforementioned credit
23 applications for vehicles. SSA-OIG provided me information confirming
24 the two social security numbers BAGBY used were not valid social
25 security numbers and were not assigned to him.

26 **BAGBY APPEARS TO HAVE COMMITTED UNEMPLOYMENT FRAUD**

27 14. On or about October 13, 2021, I contacted the Department of
28 Labor - Office of Inspector General (DOL-OIG) and learned that BAGBY

1 had a pandemic unemployment assistance (PUA) claim filed on or about
2 May 14, 2020, using his true social security number. The claim
3 listed an address on 1200 S. Grand Street, Los Angeles, California.
4 According to what USPO Chase told me, this address was associated
5 with BAGBY. For this PUA claim, BAGBY had an email address listed of
6 SilkySed40@gmail.com (the same email as one of the aforementioned
7 credit applications for a vehicle purchase). The PUA benefit amount
8 was for \$36,450 (more than his reported yearly income he reported to
9 USPO). I know from my training and experience that unemployment
10 insurance provided by California EDD is disbursed through debit cards
11 issued by Bank of America which, like the other financial
12 institutions mentioned in this affidavit, is federally insured.

13 15. I spoke with USPO Chase, and she informed me that at no
14 time during her supervision of BAGBY (including the time period of
15 this PUA claim), did BAGBY ever inform USPO Chase he was unemployed
16 or was seeking any type of Government assistance. In fact, USPO Chase
17 informed me that a condition of BAGBY's supervised release is that he
18 remain employed. BAGBY, at one point during the height of the
19 pandemic, told USPO Chase that the number of personal training
20 clients he had got smaller but at no time did he purport to be out of
21 work. If BAGBY was unemployed, he was supposed to inform USPO Chase.

22 **BAGBY DRIVES THE BAGBY JAGUAR, WHICH HE PURCHASED WITH A FALSE**
23 **CLAIM OF SALARY**

24 16. During the course of my investigation, I received
25 information from USPO Chase that BAGBY was possibly driving the BAGBY
26 Jaguar. I conducted a registration check of this vehicle and learned
27 that it is registered in the name of BAGBY. I also learned that this
28

1 vehicle was purchased with a loan from Navy Federal Credit Union
2 ("Navy FCU").

3 17. I conducted a follow up investigation with Navy FCU about
4 the loan application for the BAGBY Jaguar. I served a Grand Jury
5 subpoena on Navy FCU for records related to the BAGBY Jaguar. On or
6 about March 24, 2022, I spoke with Ron Hamilton, Supervisor/Fraud
7 Unit, with NAVY FCU, and learned that the BAGBY Jaguar was purchased
8 with a loan in the true name and social security number of BAGBY,
9 however BAGBY claimed to have a monthly income of \$7,500 per month
10 working for a company called "Instant Bae" (the same company BAGBY
11 reported to USPO that he worked, but yet again, far above his
12 reported income of only \$2,400 per month). BAGBY took out the Navy
13 FCU loan on or about July 15, 2021, in the amount of \$55,000 and had
14 to make monthly payments of \$1,231.70. Mr. Hamilton was not able to
15 tell from what account BAGBY was making these payments from, only
16 that the payments were not coming from BAGBY's Navy FCU account.

17 18. On June 14, 2023, I learned from Mr. Hamilton that
18 according to the repossession department for NAVY FCU, the BAGBY
19 Jaguar was never recovered and thus, NAVY FCU has taken a loss on the
20 vehicle in the amount of approximately \$51,952.45.

21 **BAGBY LIVES AT THE BAGBY RESIDENCE**

22 19. During the course of my investigation, I conducted several
23 reviews of the U.S. Mail being delivered to BAGBY Residence and
24 learned that BAGBY was receiving mail at this address in his own name
25 from entities such as Capital One Bank, VISA, and Target Card
26 Services. Additionally, I saw mail in the name of "Simmeon Butler,"
27 which included mail from the Los Angeles Department of Water and
28 Power (DWP), Yes Energy Management, and National General Lender

1 Services. I also observed that mail in the name of a "Willis
2 Ellington" from Spectrum was being sent to this address. Additional
3 mail in the name of "Luxury Lifestyle Group LLC" was also observed.

4 20. I conducted some follow up investigation into the name
5 Simmeon Butler. My investigation included, but was not limited to,
6 searching that name through available law enforcement databases. The
7 name did not appear to have a long history of being used, and I could
8 not find a social security number for this name. I also could not
9 find a CDL in this name. Based on my investigation, I believe that
10 this name was being used as a synthetic identity, likely by BAGBY for
11 the purposes of concealing his true residence and living under an
12 assumed identity.

13 21. During this investigation, I served a subpoena for the
14 lease agreement for the BAGBY Residence from the Aliso Apartments
15 (which managed the BAGBY Residence). I reviewed this information and
16 learned that the name Simmeon Butler was used for the lease with an
17 SSN ending in 3064, (which is not the true last four numbers of
18 BAGBY's SSN). No other occupants were listed on the lease, which
19 specifically asked the lessee to list all other occupants not signing
20 the lease contract. The monthly rent was listed as \$2,681.61. The
21 lease agreement also asked if the lessee has even been convicted of a
22 felony and if "yes" then details are requested. This was left blank
23 indicating a "No" answer. The lease agreement indicated a monthly
24 income of \$15,792 (\$189,504 per year) from an unknown employer as
25 this question was also left blank. This lease agreement was signed
26 electronically on or about December 14, 2019.

27 22. I also conducted follow up investigation into the "Luxury
28 Lifestyle Group LLC," which was the name on the aforementioned mail

1 received at the BAGBY Residence. I obtained documents from Chase
2 Bank related to a checking account in this business name. Chase Bank
3 closed the account due to incoming money orders and cash withdrawals
4 which Chase Bank believed were indicative of structuring. These
5 included a total aggregate value of \$22,900, which posted between
6 June 2021 and July 2021 via business checking account ending in 2090.
7 This account was owned by LUXURY LIFESTYLE GROUP LLC and BAGBY was
8 the signer on the account. Transactions were conducted at Chase Bank
9 branch locations in California and Nevada.

10 **SEARCH WARRANTS EXECUTED AT THE BAGBY RESIDENCE: EVIDENCE OF**
11 **FRAUD FOUND**

12 23. On March 29, 2022, the Honorable U.S. Magistrate Judge
13 Pedro V. Castillo authorized a search warrant for the BAGBY Residence
14 and BAGBY Jaguar in Los Angeles, California.

15 24. On March 31, 2022, I, along with other law enforcement
16 agents executed the federal search warrant at the BAGBY Residence and
17 of the BAGBY Jaguar. During this search, agents seized the following
18 items from the BAGBY Residence and/or the BAGBY Jaguar:

19 a. A black notebook containing personal profile
20 information of individuals, notes about credit approvals, lines of
21 credit and other credit building notes, among other items.

22 b. A California driver's license in the name of BAGBY and
23 with his picture but with a driver's license number (ending in 2638)
24 that is not his assigned number. On June 6, 2023, I searched this
25 number 2638 through the California Department of Motor Vehicle
26 ("DMV") database and learned that it belongs to a female.

27 c. A social security card ending in 7421 and the name of
28

1 BAGBY. I know this is not his true social security number. This was
2 also the same social security number previously referenced which
3 BAGBY used on a credit and purchase application for a vehicle for
4 financing through Santander Bank at a dealership located in Sherman
5 Oaks, California.

6
7 d. A social security card in the name of Simmeon Butler
8 and number ending in 3064. This is the same name which BAGBY used for
9 the lease application for the BAGBY apartment.

10 e. A Navy Federal Credit Union promissory Note for the
11 aforementioned BAGBY Jaguar purchased in his name but with false
12 income information on the credit application.

13 f. U.S. Mail addressed to BAGBY at the BAGBY Residence.

14 g. \$14,620 cash.

15 h. Digital devices (cell phones and computer).

16
17 25. During the entry portion of the aforementioned search
18 warrant at the BAGBY Residence, while the agents were making the
19 entry, BAGBY was inside the apartment trying to destroy evidence
20 (items b., c., and d. referenced in the preceding paragraph). BAGBY
21 was seen, by an agent outside monitoring the balcony, throwing this
22 evidence over the second-floor balcony to the ground outside where
23 agents were able to recover the items and book them into evidence.

24
25 **BAGBY ADMITTED TO COMMITTING FRAUD**

26 26. On March 31, 2022, during the search warrant at the BAGBY
27 Residence, Postal Inspector Marjon Barrigan and I conducted a non-
28 custodial recorded interview of BAGBY. The interview was conducted

1 outside in a public area of the apartment complex away from where the
2 search warrant was happening. BAGBY was informed he was not under
3 arrest, and he was not handcuffed at any time, and he was informed he
4 was free to leave at any time. BAGBY was living under the identity of
5 Simmeon Butler in the apartment. BAGBY told us the following, among
6 other information:
7

8 a. He has not paid rent for his apartment since the
9 beginning of COVID due to pandemic relief programs.

10 b. He was subleasing the apartment from a man named
11 Simmeon Butler and BAGBY had not communicated with Butler since 2019.
12 BAGBY later admitted he knew Simmeon Butler was a fictitious name and
13 that BAGBY was using the fictitious name to live under. BAGBY said he
14 just used the name to apply for the apartment. BAGBY admitted that he
15 did not tell his probation officer that he used a fictitious name nor
16 that he lived at the BAGBY Residence.
17

18 c. BAGBY initially said there would not be anything
19 related to fraud in his apartment.

20 d. BAGBY said he earned between \$2,000-\$3,000 a month in
21 his personal training business, and this was how he could afford to
22 pay for the BAGBY Jaguar. He used to make the same amount working
23 for his girlfriend's beauty business.
24

25 e. BAGBY initially stated he has not applied for any
26 loans or credit cards using other people's identities. He stated that
27 he is not involved in elaborate fraud schemes the way he was before
28 (during his prior time of committing fraud before he was arrested and

1 went to federal prison).

2 f. BAGBY later admitted to knowing he was throwing a
3 social security card in the name of Simmeon Butler off the balcony.

4 g. BAGBY claimed the only fraud he has committed was for
5 receiving the approximately \$36,000 in loans from
6 unemployment/EDD/pandemic as well as his car loans. BAGBY admitted
7 knowing the false income on these loans caused the banks to lend him
8 more money than they normally would. BAGBY claimed someone else
9 filled out the loan applications because he did not know how to do
10 it. He claimed could not remember the person who did the
11 applications, but he acknowledged receiving the money.
12

13 h. BAGBY also admitted to falsifying his application for
14 the BAGBY Jaguar loan with regards to his monthly income. BAGBY
15 stated he made up the names Simmeon Butler and Willis Ellington to
16 apply for the apartment because he had nowhere else to go.
17

18 i. BAGBY admitted to submitting fraudulent car loan
19 applications with BAGBY'S name and another person's social security
20 number. BAGBY got upset and told us we had already gone over the car
21 loans and that he already told us he did them.
22

23 j. BAGBY stated he has not paid taxes since getting out
24 of prison in 2017.

25 k. A black notebook containing personal identifying
26 information was found during the search warrant. I showed it to BAGBY
27 and asked him what he was using it for. BAGBY stated he has had the
28 notebook for a long time and that he has not used it to conduct

1 fraud. He nodded yes that the personal identifying information
2 belonged to actual people.

3 **SEARCH WARRANT FOLLOW-UP INVESTIGATION**

4 27. Part of the follow up investigation after the search
5 warrant at the BAGBY Residence consisted of reviewing the digital
6 devices seized pursuant to the warrant. The following are some of
7 the files and images I found on BAGBY'S digital devices:

8 a. A PDF file of a spreadsheet of personal profile
9 information (access devices). I took this PDF file, and had it
10 exported to a Microsoft Excel spreadsheet so I could more easily
11 review it. The spreadsheet contained approximately 716 rows of
12 personal information for individuals. The data included, names,
13 addresses, driver license numbers, net incomes, employer names, bank
14 names, bank routing numbers, bank account numbers, social security
15 numbers, birth dates, and other information.

16 b. An image of a blank payroll template.

17 c. An image in the same payroll template, but this one
18 containing an earnings statement for Simmeon Butler showing the last
19 four of the social security number 3064 and a reporting period of
20 November 20, 2019-December 3, 2019. During this period, the year-to-
21 date gross income listed is \$182,225.00.

22 d. A photograph of a social security card ending in 7421
23 and in the name of BAGBY (not his true social security number).

24 e. A PDF file of a tradeline purchased on or about August
25 20, 2020, for the name of BAGBY with BAGBY'S true social security
26 number and birth date. The listed email address
27 "silkyseed40@gmail.com" is one I have previously associated with
28 BAGBY.

1 f. A PDF file of a tradeline purchased on or about August
2 20, 2020, for the name of Simmeon Butler with social security number
3 ending in 3064 and a birth date of June 4, 1981. The listed email
4 address "silkyse40@gmail.com" I have previously associated with
5 BAGBY. A "tradeline" is a credit account used by FICO and other
6 credit raters to calculate a person's credit score. There is a
7 robust grey market in tradelines where persons with long histories of
8 on-time payments add as an authorized "user" someone seeking a credit
9 boost in exchange for money. Due to the intersection of different
10 regulations drafted decades apart, FICO and other credit scorers will
11 attribute the long history of on-time payments in a tradeline to an
12 authorized user on that account even though the authorized user never
13 made a payment on the account and was not even associated with it
14 except in the last few months. Persons involved in bust-out credit
15 fraud will often purchase tradelines to boost their credit ratings
16 before applying for the credit they intend to later default on.

17 g. Several images of the front cover and inside pages of
18 a United States passport issued in the name of former National
19 Basketball Association player Kobe Bryant, who is now deceased. I
20 conducted additional follow up on this passport with the Department
21 of State and Homeland Security and learned that it was, in fact, a
22 previously valid passport. The original passport was reported
23 lost/stolen. The information contained on this passport was for the
24 replacement passport issued to Mr. Bryant, which expired in 2014.

25 h. Screen shots of what appeared to be SBA loan
26 applications.

27 28. I conducted follow-up investigation on whether BAGBY might
28 have been involved in any SBA related loan fraud. In or about April

1 2022 and April 2023, I spoke with Small Business Administration,
2 Office of the Inspector General, Special Agent Angel Huling. SA
3 Huling told me she found two BAGBY Paycheck Protection Program Loans
4 (PPP) and four Economic Injury Disaster Loans (EIDL) submitted online
5 in BAGBY'S true name and social security number. BAGBY was approved
6 for the two PPP loans totaling \$37,895, but the four separate EIDL
7 applications were denied. The EIDL loans were for attempted loans in
8 the combined amount of \$317,600.
9

10 29. I reviewed the supporting documentation pertaining to the
11 two aforementioned approved PPP loan applications which I received
12 from SA Huling, and learned the following:

13 a. Loan number ending in 8686-07 was processed online
14 through MBE Capital. The funds were disbursed in the amount of
15 \$18,948 in the name and true social security number of BAGBY.
16

17 b. Loan number ending in 0781-03 was processed online
18 through Cross River Bank. The funds were disbursed in the amount of
19 \$18,947 in the name and true social security number of BAGBY.

20 30. For both of the aforementioned PPP loan applications, BAGBY
21 provided an IRS 1040 Schedule C. According to the Schedule C, BAGBY
22 reported a gross income of \$93,450 on his 2019 taxes.
23

24 31. The income BAGBY reported on the aforementioned PPP loan
25 applications contradicted the income reported to US Probation, where
26 he claimed to be earning approximately \$2,400 a month (\$28,800 per
27 year).
28

BAGBY HAS NOT PAID RENT FOR YEARS

32. I reviewed the Aliso Apartments lease agreement for the BAGBY Residence (in the name of Simmeon Butler), and it listed a monthly rent charge of \$2,681.61 beginning in or around December 2019. If we go by what BAGBY admitted to during his interview on March 31, 2022, to me, he has not paid rent since the pandemic started due to the rent relief programs available to tenants through the leasing office of his building. If we consider the time period of March 2020 through the date of the search warrant, March 31, 2022, this means BAGBY had not paid rent for basically two full years. This would have costed the federal pandemic relief programs (who reimbursed the owners of the building of the BAGBY Residence) approximately \$64,358.64 in unpaid rent.

33. In my training and experience, virtually all internet communications involve interstate wires, even when the source and destination are in the same state.

IV. CONCLUSION

34. For the reasons stated above, there is probable cause to believe that SEDRICK BAGBY violated the TARGET OFFENSES.

Attested to by the applicant in accordance with the requirements of Fed. R. Crim. P. 4.1 by telephone on this 28th day of August 2023.



UNITED STATES MAGISTRATE JUDGE
ALKA SAGAR